

March 14, 2002

My name is David Cohen and I am the Mayor of Newton, Massachusetts, a city of 82,000 just west of Boston. I want to urge you to support the existing funding formula in 42 USC 5306 as it pertains to the creation of any factor based on overall community per capita income.

Newton is such a City and over the past decade the low-moderate income people living here have benefited greatly from the generosity of the Federal Government. Since 1991 the City has used \$3.7 million in CDBG funds and \$1.3 million in Home funds to help leverage the construction of 605 units of affordable housing. Now I know that 605 units over ten years may not seem like a lot. But Newton is a community with almost no vacant land. In excess of 99% of the land is in use and the construction of 600 units represents a huge effort in terms of finding sites and putting together the packages to make the housing happen. And it has made a difference. Some one thousand people are living in good homes in Newton, thanks to your program, many of whom might otherwise not a place to live at all, and almost all of whom would not have a place to live in Newton.

The City of Newton cares very much about the diversity of its population. That diversity enriches all of us, giving a greater understanding of and respect for the traditions of our neighbors and a deeper appreciation of our own heritages. The availability of affordable housing is critical to our maintaining a degree of income diversity. And over the years we have taken significant steps to expand that availability. Many years ago, when I was a member of the Newton Board of Aldermen in the early 70's, we enacted first in the state and one of the first in the nation legislation requiring housing developers

coming into the City to provide 10% of their units for low-moderate income housing. That ordinance, in an amended form remains in force today.

And this past fall the people of Newton in a referendum voted on by the entire city, chose to increase their annual taxes by an additional 1% in order to build more affordable housing.

Last year the City approved the largest ever affordable housing development in its history. It was passed unanimously and with the active support of the residents of the surrounding neighborhood.

I also think it is very important that those people needing affordable housing have access to as wide a range of communities in our metropolitan area as possible. Low-moderate income individuals should not be restricted to living in the core cities for lack of affordable housing elsewhere. The best tool that we have available to us in order to achieve this end is the CDBG program. And I hope that our access to these funds will not be reduced.

The City of Newton has also put CDBG money to use over the years in making sure that eligible residents lived in housing that met the building code. Since 1991 we've used \$5 million of your money to do 220 major rehabs of substandard units and 750 minor ones.

It is my understanding that this committee may be contemplating a comprehensive review of the funding formula once the latest census data is released. I would urge the committee not to make any partial change in that formula until you've had a chance to fully assess the impact such a change would have on the communities that depend upon those funds.

Although most of Newton's residents are well-off, not every individual is a wealthy person. In fact, there are many low-moderate income people who live in the City. According to the 1990 census, the most recent source for which we have data available, in a city of 29,000 households, some 7500 fall below 80% of the median family income. If you're the state or a private funding source not from Newton, it's easy to overlook these families. After all, Newton is a wealthy community. So in the competition for state and private funds for our low-moderate income citizens Newton has not fared very well at all. The one place that Newton's low-moderate income population has received support has been from the federal government. We have tried to expend those funds in ways that promote the development of viable urban communities, provide decent housing and a suitable living environment, promote diversity in our community and afford a greater opportunity for people of all income levels to have a chance to live in Newton.

We believe that our full participation in this program furthers the purposes of this act in an important way. We ask only to be allowed to continue that same participation.